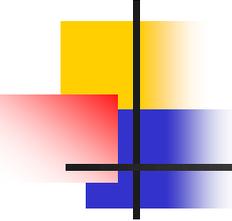


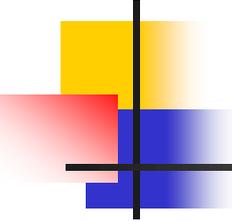
EMERGENCY AND PROPRIETARY PROCUREMENTS

Richard D. Ehlert, CTCD, CTCM
Procurement Director
Texas Facilities Commission



Course Overview

- Emergency Purchases
 - Statewide Procurement Program Overview in relation to Emergency Purchases
- Proprietary Purchases
 - Statewide Procurement Program Overview in relation to Proprietary Purchases
- Review - Open Market \$ Thresholds
- Strategy for Procuring Emergency Purchases
- Strategy for Procuring Proprietary Purchases
- Procurement Lead Times
- Summary



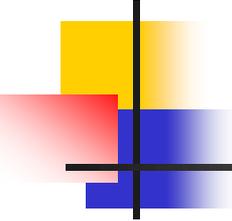
Emergency Purchases

- Defined by Texas Gov't Code Section §2155.137
<https://statutes.capitol.texas.gov/?link=GV>

Sec. 2155.137. EMERGENCY PURCHASES. (a) The commission shall provide for emergency purchases by a state agency and may set a monetary limit on the amount of an emergency purchase.

(b) The provisions of Section 2161.181 relating to historically underutilized businesses apply to an emergency purchase made under this section.

Added by Acts 1995, 74th Leg., ch. 41, Sec. 1, eff. Sept. 1, 1995.

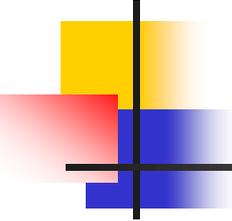


Emergency Purchases (cont.)

- Defined by Texas Administrative Code Section
 - Title 34, Public Finance;
 - Part 1, Comptroller of Public Accounts;
 - Chapter 20, Statewide Procurement and Support Services;
 - Subchapter C, Procurement Methods and Contract Formation;
 - Division 2, Procurement Methods;
 - And FINALLY....§20.210, Emergency Purchases

[https://texreg.sos.state.tx.us/public/readtac\\$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=34&pt=1&ch=20&rl=210](https://texreg.sos.state.tx.us/public/readtac$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=34&pt=1&ch=20&rl=210)

- (a) Emergency procurement requirements over \$25,000 must be posted to the ESD, but the minimum posting times in this subchapter do not apply.
- (b) In addition to the posting requirements for emergency procurements set forth in this subchapter, all other comptroller procedures governing emergency procurement requirements in §20.82 of this title (relating to Delegated Purchases) apply.

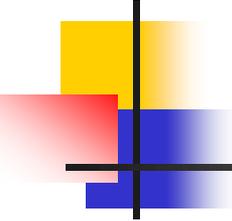


Emergency Purchases (cont.)

- Texas Administrative Code §20.82, Delegated Purchases:

[https://texreg.sos.state.tx.us/public/readtac\\$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=34&pt=1&ch=20&rl=82](https://texreg.sos.state.tx.us/public/readtac$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=34&pt=1&ch=20&rl=82)

- This rule defines the requirements for delegated purchases, which includes Emergency Purchases.
- Review of §20.82.



Emergency Purchases (cont.)

- Procurement and Contract Management Guide:

<https://comptroller.texas.gov/purchasing/publications/procurement-contract.php>

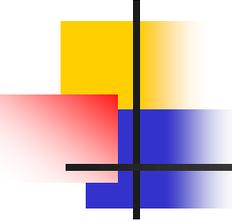
For purposes of an emergency purchase under SPD's delegated authority, an emergency purchase occurs when the agency must make the procurement quickly to prevent a hazard to life, health, safety, welfare, or property or to avoid undue additional cost to the state. Proper procurement planning for anticipated business need is expected. Pending expiration of funds does not constitute an emergency. Emergencies occur as the result of unforeseeable circumstances and may require an immediate response to avert an actual or potential public threat or to avoid undue additional cost to the state.

Note: Emergency purchases discussed in this section are different from agency purchases conducted under a Declaration of Disaster by the Governor. SPD authority does not extend to purchases made under the Texas Disaster Act of 1975. Refer to Procurement Method – Texas Disaster Act of 1975.

SPD has delegated to all agencies the authority to make emergency procurements. Notwithstanding this delegation, emergency procurements are subject to SPD's rules and procedures. Upon request, SPD will assist in advising agencies on the proper procedures for emergency purchases, but SPD will not certify the existence of an emergency.

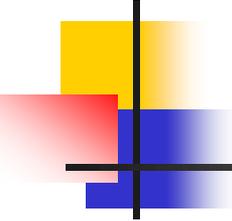
The decision to declare an emergency purchase is the sole responsibility of the agency. If an emergency exists, a written determination of the basis for the emergency and for the selection of a particular vendor shall be included in the procurement file. For an emergency purchase of goods or services exceeding \$25,000, an agency must send to SPD a full written explanation of the emergency along with other documentation required by SPD.

Notwithstanding the immediate nature of an emergency, all procurements conducted as emergencies should be made as competitive as possible under the circumstances. The agency should make a reasonable attempt to obtain at least three informal bids. Emergency procurements over \$25,000 must be posted to the ESBD; however, the minimum time for posting of the solicitation does not apply to the extent necessary to address the emergency. In addition, emergency procurements are subject to CAT and QAT reviews; expedited reviews are available upon request to these oversight teams. Emergency purchases of goods or services should not exceed the scope or duration of the emergency.



Emergency Purchases (cont.)

- So, just to review:
 - Defined by Texas Gov't Code Section §2155.137;
 - Defined by Texas Administrative Code Rule §20.210;
 - Rule §20.82 Delegated Purchases applies to your purchase;
 - Further explained in the Procurement and Contract Management Guide;
- Emergencies occur as the result of unforeseeable circumstances and may require an immediate response to avert an actual or potential public threat. If a situation arises in which compliance with normal procurement practices is impractical or contrary to the public interest, an emergency purchase may be warranted to prevent a hazard to life, health, safety, welfare, property, or to avoid undue additional cost to the state.
- Emergencies are NOT defined as a potential lapse in funding, unless the case can be made that it would cost the state additional monies if not acted upon before the current biennium funds lapse. However, this is not a typically valid reason, which is typically attributed to poor planning.
- Justification form required, and the form must be in the file, and if the purchase is >\$25K, the form is to be sent to SPD.
- For Formal procurements (>\$25K), the purchase is **NOT** exempt from the procurement solicitation process or the formal procurement requirements....however the minimum posting times do not apply.



Emergency Purchases (cont.)

- Typical Emergency Purchase Justification Form:

Date: xx/xx/xxxx

To: [*Executive Director, or Designate*]

From: [*Requestor*]

Subject: Emergency Purchase Justification

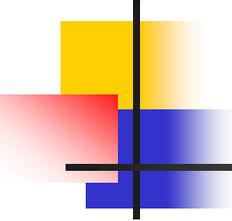
Dear [*Executive Director, or Designate*]:

The attached purchase for [*describe item or service*] from [*Vendor name*] with a cost of [*\$.00.00*] is requested to be acquired in accordance with Texas Government Code: Title 10, Subtitle D, Section 2155.137 (Emergency Purchase). This letter of justification is required because [*brief description of the reason here*].

This letter of justification is required in order to [*fully describe the reason for item or service*] and is classified as an Emergency Purchase due to [*fully describe how without the item or service there is a threat to personal safety, loss of life, and/or loss of property, or how by not acting immediately additional cost will be incurred by the state*].

[*Executive Director, or Designate*] Date

[*Procurement Director, or Designate*] Date



Proprietary Purchases

- Defined by Texas Gov't Code Section §2155.067
<https://statutes.capitol.texas.gov/?link=GV>

Sec. 2155.067. PROPRIETARY PURCHASES. (a) If, after review under Section 2155.066, the commission finds that specifications and conditions of a purchase request describe a product that is proprietary to one vendor and do not permit an equivalent product to be supplied, the commission shall require the requesting state agency to justify in writing the specifications or conditions.

(b) The agency head or the presiding officer of the agency's governing body must sign the written justification.

(c) The written justification must:

(1) explain the need for the specifications;

(2) state the reason competing products are not satisfactory; and

(3) provide other information requested by the commission.

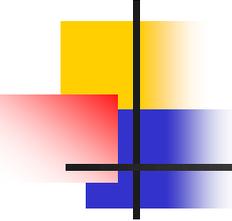
(d) If the commission requires a resubmission with written justification, the commission shall notify the requesting state agency of the requirement not later than the 10th day after the date of receiving the purchase request.

(e) Repealed by Acts 1997, 75th Leg., ch. 1206, Sec. 29, eff. Sept. 1, 1997.

(f) The commission shall issue an invitation to bid to vendors not later than the 20th day after the date of receiving the required written justification.

(g) Repealed by Acts 2003, 78th Leg., ch. 785, Sec. 75(2).

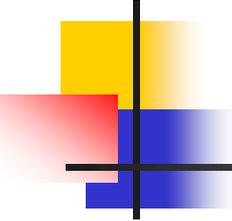
Added by Acts 1995, 74th Leg., ch. 41, Sec. 1, eff. Sept. 1, 1995. Amended by Acts 1997, 75th Leg., ch. 1206, Sec. 29, eff. Sept. 1, 1997; Acts 2001, 77th Leg., ch. 118, Sec. 1.04, eff. Sept. 1, 2001; Acts 2003, 78th Leg., ch. 785, Sec. 75(2), eff. Sept. 1, 2003.



Proprietary Purchases (cont.)

- Defined by Texas Administrative Code Section
 - Title 34, Public Finance;
 - Part 1, Comptroller of Public Accounts;
 - Chapter 20, Statewide Procurement and Support Services;
 - Subchapter C, Procurement Methods and Contract Formation;
 - Division 2, Procurement Methods;
 - And FINALLY....§20.209, Proprietary Purchases

[https://texreg.sos.state.tx.us/public/readtac\\$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=34&pt=1&ch=20&rl=209](https://texreg.sos.state.tx.us/public/readtac$ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=34&pt=1&ch=20&rl=209)



Proprietary Purchases (cont.)

- Rule §20.209 Proprietary Purchases:

(a) If the **division** finds that a state agency has submitted specifications or conditions of purchase which are proprietary to one vendor and do not permit an equivalent good or service to be supplied, the division may require the state agency to provide written justification before processing the procurement. Within 10 days thereafter, it will notify the agency of the need for a written justification. **An agency may submit a written justification along with its requisition if it chooses to do so.**

(b) A written justification for the use of proprietary specifications or conditions shall:

(1) contain an explanation of the need for the specifications or conditions;

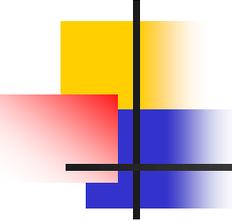
(2) state the reasons why any competing or equivalent products identified by the division are not satisfactory, addressing each such product individually;

(3) contain any other information requested by the division; and

(4) be signed by the agency head, the chairman of its governing body, or a person to whom such signature authority has been properly delegated in the agency's procurement plan, or in the case of an institution of higher education, by a person properly designated as a purchasing officer for the institution.

(c) When a state agency submits a written justification meeting the requirements of subsection (b) of this section, the division shall make the requested purchase.

(d) If a review of the state agency's proposed specifications or conditions by the division shows that competition will be unduly limited and are not proprietary to one vendor, the division shall inform the state agency of the limiting effect caused by the specification or condition and its possible economic effect.



Proprietary Purchases (cont.)

- Procurement and Contract Management Guide:

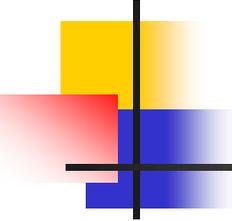
<https://comptroller.texas.gov/purchasing/publications/procurement-contract.php>

A proprietary purchase is one where the specifications or conditions of the proposed purchase are proprietary to one vendor and do not permit an equivalent product or service to be supplied. The term "proprietary" refers to a product or service that has a distinctive feature or characteristic which is not shared or provided by competing or similar products or services. Proprietary purchases include products or services manufactured or offered under exclusive rights of ownership, including rights under patent, copyright, or trade secret law.

Proprietary purchases, by definition, preclude competition because an attribute of the purchase limits consideration to only one product or supplier. In today's robust marketplace, it is unusual for only one product or one vendor to be capable of addressing an agency's business need. Because Texas procurement law promotes the use of competitive bidding for purchases, proprietary purchases are subject to enhanced scrutiny.

Proprietary purchases may be either sole source or competitive:

- Sole Source: The specified product or service is only available for purchase through a single vendor *e.g.*, manufacturer, publisher, service provider. Examples of sole source proprietary purchases include a back issue of a magazine available from only the publisher and an educational conference available from only the conference sponsor.
- Competitive: The specified product or service is available for purchase through more than one vendor *e.g.*, dealers, distributors, resellers, authorized service providers. Examples of competitive proprietary purchases include brand-specific goods and/or services.

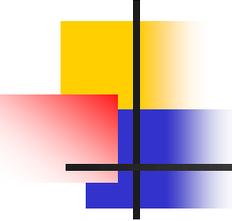


Proprietary Purchases (cont.)

- Procurement and Contract Management Guide (cont.):

The Proprietary Purchase Justification must include the following information in order to document best value to the State:

- describe the product or service the agency proposes to purchase, and provide a statement regarding the agency's business need and planned use;
- explain why the agency specifications for the product or service are written as they are, and why those specifications are necessary to accomplish the agency's goal for the procurement;
- state the reason that no other competing products or services will satisfy the need of the agency and provide examples of the technical, practical, or operational risks that would occur if competing products or services are selected;
- specify whether the purchase is sole source or competitive



Proprietary Purchases (cont.)

- Procurement and Contract Management Guide (cont.):

The **Proprietary Purchase Justification** must be signed by the agency head, the chairman of its governing body, or a person to whom such signature authority has been properly delegated in the Agency Procurement Plan, or in the case of an institution of higher education, by a person properly designated as a purchasing officer for the institution. A Proprietary Purchase Justification template is located in Appendix 9 of the Procurement and Contract Management Guide.

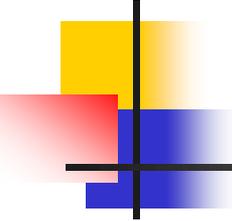
Proprietary Sole Source Procurements ≤ \$25,000.

No competitive bidding is required if the total value of the proprietary sole source contract is \$25,000 or less.

Proprietary Purchases under SPD Delegation by Rule.

For purchases made under SPD's delegated authority by rule, agencies are required to maintain the Proprietary Purchase Justification in the agency procurement file and to provide it to SPD upon request. A Proprietary Purchase Justification is not required for procurements valued at \$5,000 or less. For proprietary purchases exceeding \$5,000, the solicitation must include the following statement:

"These specifications are being advertised under Section 2155.067 of the Texas Government Code. Only bids on items conforming exactly to these specifications, which include proposing only the brand name(s), make and model number(s) specified, will be considered in determining an award."



Proprietary Purchases (cont.)

- Procurement and Contract Management Guide (cont.):

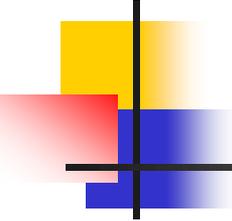
Proprietary Purchases under the SPD Review and Delegation Process.

For procurements made under the SPD Review and Delegation Process, additional information must be submitted with the agency's delegation request. For goods valued at more than \$50,000, the Proprietary Purchase Justification must be submitted to SPD along with the OMR at open.market@cpa.texas.gov. For services valued at more than \$100,000, the agency must submit the Proprietary Purchase Justification on agency letterhead along with its delegation request submission to the Procurement Oversight & Delegation portal.

SPD will notify the agency in writing if the proprietary procurement is authorized by SPD. For proprietary purchases exceeding \$5,000, the solicitation must include the following statement:

"These specifications are being advertised under Section 2155.067 of the Texas Government Code. Only bids on items conforming exactly to these specifications, which include proposing only the brand name(s), make and model number(s) specified, will be considered in determining an award."

If a review of the agency's proposed specifications and Proprietary Purchase Justification does not show that the procurement is proprietary, then SPD will inform the agency that the proprietary procurement, as currently drafted, is not authorized. If SPD does not authorize the proprietary purchase, the agency may choose either to submit a revised Proprietary Purchase Justification and specifications for SPD review and approval or proceed with a non-proprietary procurement.

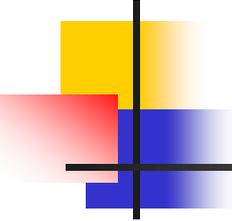


Proprietary Purchases (cont.)

- Procurement and Contract Management Guide (cont.):

Examples of **Non-Compliant** Proposed Proprietary Purchase Justifications:

- “Our professionals have identified [vendor’s product] as the most durable, safe, and efficient system of its kind.” **NONSTANDARD TESTING**
- “[The vendor] has claimed their technology is proprietary and we agree.” **UNSUBSTANTIATED**
- “[Vendor] is the exclusive patent holder of US Patents [X, Y, and Z]. No other manufacturer can legally produce [the product] with the same properties.” **NON-COMPETITIVE, SPECS TOO STRINGENT, ALLOWANCES FOR CERTAIN SPECIALTY PURCHASES (LAB, R&D)**
- “Our agency has performed research [on these products]. The manufacturer can provide [a range of products] that will enable [our agency] to [meet our statutory requirement].” **UNSUBSTANTIATED**

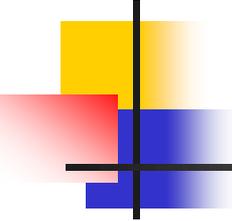


Proprietary Purchases (cont.)

- Procurement and Contract Management Guide (cont.):

Examples of **Non-Compliant** Proposed Proprietary Purchase Justifications:

- “Our staff tested [these products] against others, and only [the identified products] that passed our rigorous qualification process were placed on the agency’s approved products list. We can only buy products on our approved products list; therefore, these products are proprietary.” **NONSTANDARD TESTING**
- This vendor is our incumbent and only their products will work with the equipment we already have. **UNSUBSTANTIATED, UNLESS PROVEN; SOFTWARE HAS ALLOWANCES**
- “The [brand] furniture purchased will be used to provide a comfortable and aesthetically pleasing work environment for employees’ working in the office so they may provide customers frequenting the building excellent customer service in a welcoming atmosphere.” **THIS IS THE STATE OF TEXAS, NOT GOOGLE. DEFINING AN ACCEPTABLE MINIMUM REQUIREMENT = BEST VALUE.**



Proprietary Purchases (cont.)

- Typical Proprietary Purchase Justification Form:

Date: xx/xx/xxxx
To: [Executive Director]
From: [Requestor]
Subject: Proprietary Justification Form

Dear [Executive Director]:

The [Name Program] Division is requesting approval of proprietary specifications to/for [describe commodity or service]. The estimated cost of \$[00.00] is being requested in accordance with Government Code: Title 10, Subtitle D, Section 2155.067 (Proprietary Purchases). This letter of justification is required because:

[describe the product or service the agency proposes to purchase, and provide a statement regarding the agency's business need and planned use];

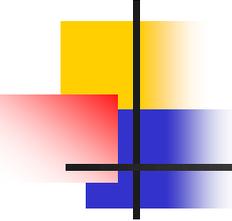
[explain why the agency specifications for the product or service are written as they are, and why those specifications are necessary to accomplish the agency's goal for the procurement];

[state the reason that no other competing products or services will satisfy the need of the agency and provide examples of the technical, practical, or operational risks that would occur if competing products or services are selected]; and

[specify whether the purchase is sole source* or competitive**].

**Sole Source: The specified product or service is only available for purchase through a single vendor e.g., manufacturer, publisher, service provider Examples of sole source proprietary purchases include a back issue of a magazine available from only the publisher and an educational conference available from only the conference sponsor.*

***Competitive: The specified product or service is available for purchase through more than one vendor e.g., dealers, distributors, resellers, authorized service providers Examples of competitive proprietary purchases include brand-specific replacement parts for equipment available through multiple OEM-authorized dealers and software that a software publisher makes available to the public through several resellers.*



Open Market \$ Thresholds

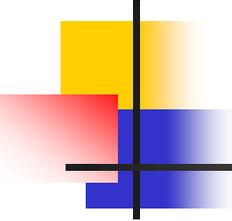
- **\$0.00 - \$5,000.00** Spot Purchase
 - Use of the state bidders list (CMBL) **not required**
 - ONE bid required, as long as you can justify the purchase is 'best value'
 - HUB's suggested
 - Always obtain a hard copy quote

- **\$5,000.01 - \$25,000.00** Informal Purchase
 - Use of the state bidders list (CMBL) **required**
 - THREE bid notices required, from the applicable Class/Item code, with at least two of the three being HUB's
 - Award to low bidder, unless justifiable reason
 - Always obtain hard copy quotes and records during bidding process
 - Procurement can facilitate, or Program (checklist required, more on that later)
 - **Emergency and Proprietary: ONE bid required, as long as you can justify the purchase is 'best value'**

- **\$25,000.01 - UP** Formal Purchase
 - Notification to the applicable state bidders list (CMBL) **required with formal notification**
 - Minimum posting times (14-21 days)
 - Formal process and statutory requirements apply
 - Procurement always facilitates
 - **Emergency and Proprietary: formal requirements apply, however with a shortened posting time for Emergency Purchases.**

Open Market \$ Thresholds (cont.)

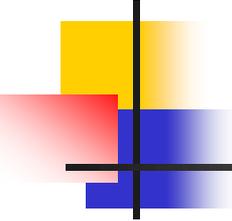
- Other \$ thresholds that you should be aware of:
 - \$100,000.00
 - Requires the solicitation to include a HUB Subcontracting Plan (HSP); and requires a completed HSP from anyone submitting a solicitation response. Each HSP must demonstrate evidence of Good Faith Effort (GFE) in developing the plan. Traditional GFE requires respondent to properly notify at least three (3) HUB businesses, and at least (2) minority/women trade organizations or development centers of the subcontracting opportunities, with a seven (7) working day time for response. **May be less for emergency procurements.** In addition, GFE shall be shown with any instructions or directions as specified in the HUB subcontracting plan template.
 - In making an HSP determination, consider the total expected contract value, **including the initial term and any renewal options.** if the total is expected to exceed \$100,000K, then an HSP is required.
 - While developing the solicitation, you, as a Contract Manager, may be requested to review and/or suggest possible subcontracting opportunities.
 - \$5,000,000.00
 - Requires POD (Procurement Oversight and Delegation) review and delegation.
 - Once the Scope of Work and Solicitation are fully developed, Procurement must submit the solicitation and all supporting documentation through the CPA TPASS webportal for POD review.
 - Typically, POD is reviewing for conformance to state required contract terms and conditions; minimal technical review.
 - POD has up to thirty (30) days to review an agency submittal; **expedited for Emergencies.**
 - POD will not review a solicitation after it has been posted on the (ESBD).



Strategy for Procuring...

Emergency Purchases:

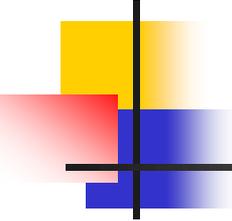
- **Templates should be in place**
 - Emergency Purchase Justification Form
 - Solicitation Template (IFB/RFP)
 - Checklist
- **Focus Team**
 - Individuals responsible for developing, soliciting, evaluating, and awarding the emergency purchase:
 - End User / Contract Manager / Requestor
 - Contract Specialist
 - Purchaser
 - HUB Coordinator
 - Management Oversight
 - Legal Services
 - This team must be focused and dedicated to developing the solicitation in a compressed timeframe.
- **The team must be 'nimble'**
 - Team must be able to work together efficiently and quickly
 - Team must be dedicated and be focused in order to develop and post the solicitation within one working week (5 days) or less, notwithstanding POD review



Strategy for Procuring...

Emergency Purchases (cont.):

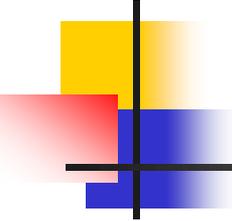
- Solicitation Method and Documents Needed
 - Emergency Purchase Justification Form
 - Risk Assessment
 - Needs Assessment
 - Budget Estimate
 - HSP (>\$100K)
 - RFP/IFB
 - IFB's are negotiable in an Emergency Purchase advertised under TGC §2155.137
- Solicitation – 'In accordance with the provisions of TGC §2155.137....'
 - IFB's are quickest – SET ADEQUATE MINIMUM QUALIFICATIONS
 - RFP's mean an evaluation team; this team must also be focused.
- Award
 - If outside the delegated authority for Commission approval, must have an expedited approval process
 - Contract Execution – expedited execution stated in solicitation
 - Insurance and Bonding - expedited execution stated in solicitation
 - Background Checks - expedited execution stated in solicitation



Strategy for Procuring...

Emergency Purchases (cont.):

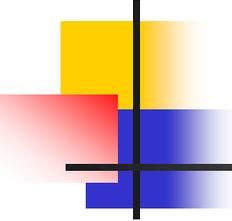
- In summary:
 - Templates must be in place;
 - Team must be formed and act quickly;
 - Team must be dedicated, focused, nimble, **empowered**, and prepared to execute
 - Even though you may have a preliminary bid or estimate from a vendor, you must still require that vendor to submit a bid or proposal when the emergency purchase is posted to the Electronic State Business Daily (ESBD):
 - If you don't, you cannot consider it for award, as it was not a legal response to your formally posted solicitation;
 - By formally responding to the solicitation, and by signing the 'Invitation for Bid' or 'Execution of Proposal' form, the vendor is beholden to all the included specifications, requirements, and terms and conditions that you included in your posting.
 - Prior to and after posting, personally notify the vendor that gave you the budgetary bid or estimate that responding to the formally posted solicitation is a **requirement**.



Strategy for Procuring...

Proprietary Purchases:

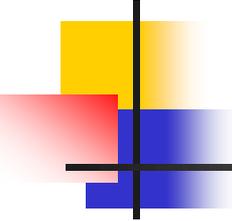
- **Templates should be in place**
 - Proprietary Purchase Justification Form
 - Solicitation Template (IFB/RFP)
 - Checklist
- **Solicitation Method and Documents Needed**
 - Proprietary Purchase Justification Form
 - Risk Assessment
 - Needs Assessment
 - Budget Estimate
 - HSP (>\$100K)
 - RFP/IFB
- **Solicitation – ‘In accordance with the provisions of TGC §2155.067....’**
 - IFB’s are quickest – SET ADEQUATE MINIMUM QUALIFICATIONS
 - RFP’s mean an evaluation team; this team must also be focused
 - Must allow time in your Schedule of Events for review of submitted alternate materials/services and/or challenges to your stated proprietary purchase.



Strategy for Procuring...

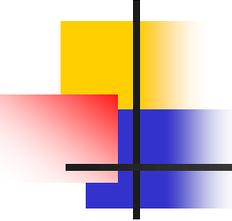
Proprietary Purchases (cont.):

- Even though you may have a preliminary bid or estimate from the proprietary vendor, you must still require that vendor to submit a bid or proposal when the proprietary purchase is posted to the Electronic State Business Daily (ESBD):
 - If you don't, you cannot consider it for award, as it was not a legal response to your formally posted solicitation;
 - By formally responding to the solicitation, and by signing the 'Invitation for Bid' or 'Execution of Proposal' form, the vendor is beholden to all the included specifications, requirements, and terms and conditions that you included in your posting.
 - Prior to and after posting, personally notify the vendor that responding to the formally posted solicitation is a **requirement**.



Procurement Lead Times

- Ideal Procurement Lead Times:
 - Spot Purchase (\$5K and under):
 - 5-7 business days to place order
 - Informal Purchase (\$5K- \$25.K):
 - 5-15 days to place order
 - Formal Purchase (>\$25K):
 - Minimum posting time on ESBID is 14-21 (and sometimes as much as 30) calendar days
 - Evaluation
 - Negotiation
 - Award / Contract execution

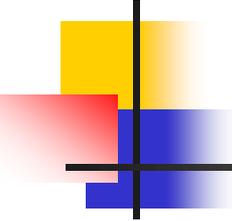


Procurement Lead Times

- Ideal Procurement Lead Times – Emergency Purchase:
 - Formal Purchase (>\$25K):

■ Solicitation/Contract development	1-3 days
■ Minimum posting time on ESBD	3-5 days
■ Evaluation	1 day
■ Negotiation	2 days
■ Award / Contract execution	2 days
 - Formal Purchase (>\$100K):

■ Solicitation/Contract development	1-3 days
■ Minimum posting time on ESBD	3-7 days
■ Evaluation	1 day
■ Negotiation	2 days
■ Award / Contract execution	2 days



Summary

- **Emergency Purchase – Spot and Informal**
 - Competition not required
 - Informal requires an Emergency Purchase Justification
 - ALL other requirements apply
 - TINS
 - SAM
 - Bid(s)
 - Insurance
 - Purchase Order

- **Emergency Purchase - Formal:**
 - Templates enable you to mobilize quickly
 - Checklists minimize errors and missed steps
 - Dedicated Team must be focused and empowered to act quickly
 - All dedicated team members must be allowed to focus on the task at hand
 - Requirements are the same as all other formal procurements – but expedited